

FIRST REGULAR SESSION

SENATE BILL NO. 170

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR ENGLER.

Pre-filed December 15, 2006, and ordered printed.

TERRY L. SPIELER, Secretary.

0826S.02I

AN ACT

To repeal sections 354.150, 354.495, 374.150, 374.160, 374.230, 374.261, 374.263, 374.265, and 374.267, RSMo, and to enact in lieu thereof five new sections relating to funding for the department of insurance, financial and professional regulation.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 354.150, 354.495, 374.150, 374.160, 374.230, 374.261, 374.263, 374.265, and 374.267, RSMo, are repealed and five new sections enacted in lieu thereof, to be known as sections 354.150, 354.495, 374.150, 374.160, and 374.230, to read as follows:

354.150. Every health services corporation subject to the provisions of sections 354.010 to 354.380 shall pay the following fees to the director of insurance for enforcement of the provisions of this chapter:

4	[Issuance of certificate of authority	\$150.00
5	Filing articles of amendment	\$ 20.00
6	Filing each annual statement	\$100.00
7	Filing articles of acceptance and issuing a	
8	certificate of acceptance	\$ 20.00
9	Filing any other statement or report	\$ 1.00
10	For a certified copy of any document or	
11	other paper filed in the office of the director,	
12	per page	\$.35
13	For the certificate and for affixing the seal	
14	thereto	\$ 10.00
15	For filing statement and pertinent admission	

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

16 papers required of a foreign health
 17 services corporation \$200.00
 18 For copies of papers, records and documents filed
 19 in the office of the director, an amount not
 20 to exceed, at the director's discretion \$ 1.00
 21 per page
 22 For each service of process upon the director, on
 23 behalf of the health services corporation \$ 10.00]
 24 **(1) For filing the declaration required on organization of each**
 25 **domestic company, two hundred fifty dollars;**
 26 **(2) For filing statement and certified copy of charter required of**
 27 **foreign companies, two hundred fifty dollars;**
 28 **(3) For filing application to renew certificate of authority, along**
 29 **with all required annual reports, including the annual statement,**
 30 **actuarial statement, risk based capital report, report of valuation of**
 31 **policies or other obligations of assurance, and audited financial report**
 32 **of any company doing business in this state, one thousand five hundred**
 33 **dollars;**
 34 **(4) For filing any paper, document, or report not filed under**
 35 **subdivisions (1), (2), or (3) of this section but required to be filed in the**
 36 **office of the director, fifty dollars each;**
 37 **(5) For affixing the seal of office of the director, ten dollars;**
 38 **(6) For accepting each service of process upon the company, ten**
 39 **dollars.**

354.495. Every health maintenance organization subject to sections
 2 354.400 to [354.550] **354.636** shall pay to the director the following fees:

3 [(1) Issuance or renewal of certificate of
 4 authority \$150.00
 5 (2) Filing of articles of amendment 1.00
 6 (3) Filing each annual statement 100.00
 7 (4) Filing articles of acceptance and issuing
 8 a certificate of acceptance 20.00
 9 (5) Filing any other statement or report 20.00
 10 (6) For the certification of any document, and
 11 affixing the seal thereto 10.00
 12 (7) For filing statement and pertinent admission

13 papers required of a foreign health
14 maintenance organization 200.00
15 (8) For each appointment of an agent by the
16 health maintenance organization 5.00
17 (9) For copies of papers, records and documents
18 filed in the office of the director, an
19 amount not to exceed, at the director's
20 discretion 1.00
21 per page
22 (10) For each service of process upon the
23 director, on behalf of the health
24 maintenance organization 10.00]

25 **(1) For filing the declaration required on organization of each**
26 **domestic company, two hundred fifty dollars;**
27 **(2) For filing statement and certified copy of charter required of**
28 **foreign companies, two hundred fifty dollars;**
29 **(3) For filing application to renew certificate of authority, along**
30 **with all required annual reports, including the annual statement,**
31 **actuarial statement, risk based capital report, report of valuation of**
32 **policies or other obligations of assurance, and audited financial report**
33 **of any company doing business in this state, one thousand five hundred**
34 **dollars;**
35 **(4) For filing any paper, document, or report not filed under**
36 **subdivisions (1), (2), or (3) of this section but required to be filed in the**
37 **office of the director, fifty dollars each;**
38 **(5) For affixing the seal of office of the director, ten dollars;**
39 **(6) For accepting each service of process upon the company, ten**
40 **dollars.**

374.150. 1. All fees due the state under the provisions of the insurance
2 laws of this state shall be paid to the director of revenue and deposited in the
3 state treasury to the credit of the insurance [department] **dedicated** fund unless
4 otherwise provided for in subsection 2 of this section.

2. There is hereby established in the state treasury a special fund to be
6 known as the "[Department of] Insurance Dedicated Fund". The fund shall be
7 subject to appropriation of the general assembly and shall be devoted solely to the
8 payment of expenditures incurred by the department [of insurance] attributable

9 to duties performed by the department **for the regulation of the business of**
10 **insurance and the operation of the division of consumer affairs** as
11 required by law which are not paid for by another source of funds. Other
12 provisions of law to the contrary notwithstanding, beginning on January 1, 1991,
13 all fees charged under any provision of chapter 325, 354, 374, 375, 376, 377, 378,
14 379, 380, 381, 382, 383, 384 or 385, RSMo, due the state shall be paid into this
15 fund. The state treasurer shall invest moneys in this fund in the same manner
16 as other state funds and any interest or earnings on such moneys shall be
17 credited to the [department of] insurance dedicated fund. The provisions of
18 section 33.080, RSMo, notwithstanding, moneys in the fund shall not lapse, be
19 transferred to or placed to the credit of the general revenue fund unless and then
20 only to the extent to which the unencumbered balance at the close of the
21 biennium year exceeds two times the total amount appropriated, paid, or
22 transferred to the fund during such fiscal year.

23 [3. Notwithstanding the provisions of this section to the contrary, fifty-five
24 percent of the balance in the department of insurance dedicated fund as of the
25 effective date of this act or six million fifteen thousand eight hundred and
26 fifty-five dollars, whichever is greater, shall be subject to an immediate one-time
27 transfer to the state general revenue fund.]

374.160. 1. The expenses of examinations, valuations or proceedings
2 against any company, and for dissolving or settling the affairs of companies are
3 to be paid by the company, or as provided by law. The state shall not be
4 responsible in any manner for the payment of any such expenses, or any charges
5 connected therewith.

6 2. **At the request of the director, every domestic insurance**
7 **company subject to an order of conservation, rehabilitation, or**
8 **liquidation shall reimburse the insurance dedicated fund for**
9 **administrative services rendered by state employees to the**
10 **company. Reimbursement shall include that portion of the employee's**
11 **salary, state benefits, and expenses that specifically relates to the**
12 **services rendered on behalf of the company.**

13 3. All other expenses of the department of insurance now or hereafter
14 incurred and unpaid, or that may be hereafter incurred, including the salaries of
15 the director and deputy director, shall be paid out of the state treasury in the
16 manner provided by law.

17 [3.] 4. The director shall assess the expenses of any examination against

18 the company examined and shall order that the examination expenses be paid
19 into the insurance examiners fund created by section 374.162. [The director shall
20 also assess an additional amount equal to fifteen percent of the total expenses of
21 examination, to be paid for the supervision and support of the examiners. The
22 insurance examiner's sick leave fund created by sections 374.261 to 374.267 shall
23 be combined with the insurance examiners fund.] **This assessment shall**
24 **include the costs of compensation, including benefits, for the**
25 **examiners, analysts, actuaries, and attorneys directly contributing to**
26 **the examination of the company, any reasonable travel, lodging, and**
27 **meal expenses related to an on-site examination, and other expenses**
28 **related to the examination of the company, including an allocation for**
29 **examiners' office space, supplies, and equipment, but not expenses**
30 **associated with attending a course, seminar, or meeting, unless solely**
31 **related to the examination of the company assessed.** The director shall
32 pay from the insurance examiners fund the compensation of insurance examiners
33 [pursuant to section 374.115, any expenses to be paid from such sick leave fund
34 under sections 374.261 to 374.267], **analysts, actuaries, and attorneys,**
35 **including standard benefits afforded to state employees, for**
36 **performance of any such examination and other expenses** [incurred for
37 supervision and support of the examiners] **covered in the assessment.** The
38 general assembly shall annually provide appropriations sufficient to distribute
39 all receipts into the insurance examiners fund. The provisions of section 33.080,
40 RSMo, relating to the transfer of unexpended balances to the general revenue
41 fund shall not apply to the insurance examiners fund.

42 [4.] **5.** If any company shall refuse to pay the expenses of any
43 examination, valuation or proceeding assessed by the director pursuant to this
44 section, the company shall be liable for double the amount of such expenses and
45 all costs of collection, including attorney's fees. The company shall not be entitled
46 to a credit, pursuant to section 148.400, RSMo, for any fees, expenses or costs
47 ordered pursuant to this subsection other than in the amount of the expenses
48 originally assessed by the director. All amounts collected pursuant to this
49 subsection shall be credited to the insurance examiners fund.

374.230. Every insurance company doing business in this state shall pay
2 to the director of revenue the following fees:

3 (1) [For making valuations of policies or other obligations of assurance,
4 one thousand dollars for all ordinary forms of policies, and the cost of computing

5 special evaluation tables for policy forms requiring such shall be added;

6 (2)] For filing the declaration required on organization of each **domestic**
7 company, **two hundred** fifty dollars;

8 [(3)] (2) For filing statement and certified copy of charter required of
9 foreign companies, **two hundred** fifty dollars;

10 [(4)] (3) For filing **application to renew certificate of authority,**
11 **along with all required annual reports, including the** annual statement,
12 **actuarial statement, risk based capital report, report of valuation of**
13 **policies or other obligations of assurance, and audited financial report**
14 annual statement of any company doing business in this state, [two hundred
15 fifty] **one thousand five hundred** dollars;

16 [(5)] (4) For filing supplementary annual statement of any company
17 doing business in this state, [ten] **fifty** dollars;

18 [(6)] (5) For filing any [other] paper, **document, or report not filed**
19 **under subdivisions (1), (2), or (3), but** required to be filed in the office of the
20 director [of the department of insurance], fifty dollars each;

21 [(7)] (6) For [each agent's] a copy of [his] a company's certificate of
22 authority or **producer or agent** license, [two] **ten** dollars;

23 [(8) For copies of papers, records, and documents filed in the office of the
24 director of the department of insurance, twenty cents per folio;

25 [(9)] (7) For affixing the seal of office of the director [of the department
26 of insurance], ten dollars;

27 [(10)] (8) For accepting each service of process upon the company, ten
28 dollars.

[374.261. As used in sections 374.261 to 374.269, the
2 following words mean:

3 (1) "Director", the director of the department of insurance;

4 (2) "Examiners", nonsalaried employees of the department
5 of insurance conducting an examination pursuant to section
6 374.190;

7 (3) "Sick leave", those days of leave taken during the
8 conduct of an examination during which an examiner is prevented
9 from conducting an examination due to illness or injury.]

[374.263. There is hereby created in the state treasury a
2 fund to be known as the "Insurance Examiner's Sick Leave Fund",
3 hereinafter referred to as the "fund". The fund shall be used to pay

4 the daily wages of department of insurance examiners who are
5 temporarily unable to continue an examination of an insurance
6 company or companies pursuant to section 374.190, because of
7 illness or injury suffered or sustained by the examiner during the
8 course of the examination which the examiner is conducting.]

[374.265. 1. There shall be an amount assessed against
2 those domestic insurers which are subject to premium tax and are
3 engaged in the business of insurance within this state, which
4 amount shall be no less than one hundred and fifty nor greater
5 than five hundred dollars.

6 2. The initial assessment shall be made within one month
7 of September 28, 1981, in the total amount of thirty-six thousand
8 dollars. Thereafter, assessments shall be made annually, or as
9 needed whenever the balance in the fund becomes less than ten
10 thousand dollars. The amount of such subsequent assessments
11 shall be that amount necessary to return the balance in the fund
12 to thirty-six thousand dollars.]

[374.267. 1. The director of the department of insurance,
2 his agents or appointees shall be empowered to make assessments
3 pursuant to section 374.265, and to administer the fund.

4 2. The director, his agents or appointees shall compensate
5 an examiner out of the fund only after the examiner has satisfied
6 the director, his agents or appointees that:

7 (1) The examiner was employed by the department of
8 insurance to conduct an examination of an insurance company or
9 companies pursuant to section 374.190 at the time of the illness or
10 injury for which daily wages are claimed; and

11 (2) The examiner was prevented from conducting the
12 examination due to illness or injury.

13 3. The amount paid by the director, his agents or
14 appointees to an examiner from the fund shall not exceed the
15 amount of the examiner's daily wages times the number of days
16 during which the examiner was prevented from conducting an
17 examination as result of illness or injury, but in no event shall any
18 examiner be paid for more than one and one-fourth days times the
19 number of months for which he has been employed by the

20 department of insurance as an examiner, nor shall an examiner be
21 paid for or receive credit for sick leave after August 13, 1988, for
22 or on the basis of any month, months or portion thereof before
23 August 13, 1988.]

✓

Unofficial

Bill

Copy